



February 20, 2001

HOUSE BILL No. 1873

DIGEST OF HB 1873 (Updated February 19, 2001 12:39 PM - DI 92)

Citations Affected: IC 12-7; IC 12-15; IC 16-25.

Synopsis: Hospice. Defines room and board. Requires Medicaid to reimburse hospices for room and board services at a rate of 95% of the average case mix per diem reimbursement rate for Medicaid payments in effect for health facilities licensed under IC 16-28 as of July 1 of each year. Requires the state department of health to conduct annual surveys of hospices until July 1, 2003 and to adopt guidelines to survey hospices every one to three years after July 1, 2003.

Effective: July 1, 2001.

Brown C, Dillon, Goeglein, Becker

January 17, 2001, read first time and referred to Committee on Public Health.
February 1, 2001, amended, reported — Do Pass; referred to Committee on Ways and Means pursuant to Rule 127.
February 19, 2001, reported — Do Pass.

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HB 1873—LS 7416/DI 104+



February 20, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1873

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-7-2-169.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2001]: **Sec. 169.5. "Room and board", for**
4 **purposes of IC 12-15-40, has the meaning set forth in**
5 **IC 12-15-40-5.5.**

6 SECTION 2. IC 12-15-40-5.5 IS ADDED TO THE INDIANA
7 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2001]: **Sec. 5.5. As used in this chapter,**
9 **"room and board" means any inpatient services provided by a**
10 **hospice in compliance with 42 CFR 418.100 et seq.**

11 SECTION 3. IC 12-15-40-7 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. Payment to a hospice
13 program must meet the following conditions:

14 (1) Be determined in accordance with a prospective payment rate
15 that is reasonable and adequate to meet the costs that must be
16 incurred by efficiently and economically operated hospice
17 programs to provide services in conformity with applicable state

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1 and federal laws, rules, and regulations, including the federal
2 Social Security Act, and quality and safety standards.

3 (2) Include the increased costs for medical care, including
4 physician and nursing care, intensive case management, social
5 services, and pharmaceutical and allied health costs.

6 **(3) A per diem amount for room and board that is equal to**
7 **ninety-five percent (95%) of the average case mix per diem**
8 **rate for Medicaid payments in effect for health facilities**
9 **licensed under IC 16-28 as of July 1 of each year.**

10 SECTION 4. IC 16-25-5-2.5 IS ADDED TO THE INDIANA CODE
11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2001]: **Sec. 2.5. The state department shall develop rules under**
13 **IC 4-22-2 to establish guidelines that require the state department**
14 **to conduct a survey of a hospice program licensed or approved**
15 **under IC 16-25-3 at least once every one (1) to three (3) years.**

16 SECTION 5. [EFFECTIVE JULY 1, 2001] (a) Notwithstanding
17 IC 16-25-5-2.5, as added by this act, the state department of health
18 shall conduct an annual survey of each hospice program licensed
19 or approved under IC 16-25-3 to determine if the hospice complies
20 with IC 16-25.

21 (b) This SECTION expires July 1, 2003.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1873, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 7, delete "lowest per diem" and insert "**average case mix per diem rate for Medicaid payments in effect for health facilities licensed under IC 16-28 as of July 1 of each year.**".

Page 2, delete lines 8 through 9.

Page 2, line 12, after "shall" insert "**develop rules under IC 4-22-2 to establish guidelines that require the state department to**".

Page 2, line 13, delete "on an" and insert "**at least once every one (1) to three (3) years.**".

Page 2, delete line 14.

Page 2, after line 14, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JULY 1, 2001] **(a) Notwithstanding IC 16-25-5-2.5, as added by this act, the state department of health shall conduct an annual survey of each hospice program licensed or approved under IC 16-25-3 to determine if the hospice complies with IC 16-25.**

(b) This SECTION expires July 1, 2003."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1873 as introduced.)

BROWN C, Chair

Committee Vote: yeas 13, nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1873, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 20, nays 0.

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